preserving the basic concepts, principles and effectiveness of the Agreement and its instruments and objectives. The negotiations are also to take into account the needs of developing and least developed participants.

Problems faced by Plantation Sector

1644. SHRI J. CHITHARANJAN:
SHRI V.V. RAGHAVAN:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government are aware of the deep crisis in the tea plantation sector affecting the planters, small farmers as well as the labour; and

(b) if so, the details thereof and what steps are being taken by Government to solve the problem?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDI): (a) and (b) Yes, Sir. Government is aware of the problems being faced by the tea plantation sector in the country due to the low prices of tea both in North and South India. The reasons for low price are mainly attributed to low demand from domestic and export sectors, quality of tea produced particularly teas produced in bought leaf factories and increasing availability of low priced tea in the international market.

In order to give relief to the tea growers of the country the Government has taken the following steps:

- The allowance under the Section 33 AB of Income Tax Act has been increased from 20% to 40%.
- Excise duty on tea has been reduced from Rs.2 per Kg. to Rs. 1 per Kg. in the Budget 2002-03.
- A factory upgradation Scheme has been introdcued by the Tea Board to encourage production of good quality orthodox and non reconditional CTC teas in the country.

- A Scheme for providing financial incentive to the exporters for meeting part of cost of handling, packaging, transport/freight charges has also been introduced by the Government.
- A Quality Upgradation Programme had been launched by the Tea Board for improving quality tea manufactured by small growers in the country.
- Tea Marketing (Control) Order 1984 has been modified to remove the condition of obligatory sale of 75% of tea production through public tea auctions. The producers of tea are now free to sell any quantity of tea through public tea auctions.
- A Generic promotion campaign has been launched for improving the consumption of tea within the country.
- The basic customs duty on import of tea has been increased from 70% to 100% as announced in the Budget of 2002-2003.
- Tea Board has also prepared a medium term export strategy for tea for the next five years by engaging a consultant.
- The sale of tea in the Domestic Tariff Area by 100% Export Oriented Units (EOUs) and units in Export Processing Zones (EPZs) has been banned.

Monetary benefits to exporters

†1645. SHRI KAPIL SIBAL:
SHRI RAJIV RANJAN SINGH 'LALAN':

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have implemented various schemes for providing economic assistance to promote export from the country; and

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†Original notice of the question was received in Hindi.